
HOUSE BILL No. 1462

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-2.5-6-1.

Synopsis: Sales tax deposits. Increase from \$1,000 to \$2,500 the maximum average monthly liability for sales taxes that a retail merchant may accrue without being required to make monthly deposits with the department of state revenue.

Effective: July 1, 2005.

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January 18, 2005, read first time and referred to Committee on Ways and Means.

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Introduced

First Regular Session 114th General Assembly (2005)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2004 Regular Session of the General Assembly.

HOUSE BILL No. 1462

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 6-2.5-6-1 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) Each person
3 liable for collecting the state gross retail or use tax shall file a return for
4 each calendar month and pay the state gross retail and use taxes that the
5 person collects during that month. A person shall file the person's
6 return for a particular month with the department and make the person's
7 tax payment for that month to the department not more than thirty (30)
8 days after the end of that month, if that person's average monthly
9 liability for collections of state gross retail and use taxes under this
10 section as determined by the department for the preceding calendar
11 year did not exceed ~~one two thousand five hundred~~ dollars ~~(\$1,000)~~.
12 **(\$2,500)**. If a person's average monthly liability for collections of state
13 gross retail and use taxes under this section as determined by the
14 department for the preceding calendar year exceeded ~~one two thousand~~
15 **five hundred** dollars ~~(\$1,000)~~, **(\$2,500)**, that person shall file the
16 person's return for a particular month and make the person's tax
17 payment for that month to the department not more than twenty (20)

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1 days after the end of that month.

2 (b) If a person files a combined sales and withholding tax report and
3 either this section or IC 6-3-4-8.1 requires sales or withholding tax
4 reports to be filed and remittances to be made within twenty (20) days
5 after the end of each month, then the person shall file the combined
6 report and remit the sales and withholding taxes due within twenty (20)
7 days after the end of each month.

8 (c) Instead of the twelve (12) monthly reporting periods required by
9 subsection (a), the department may permit a person to divide a year into
10 a different number of reporting periods. The return and payment for
11 each reporting period is due not more than twenty (20) days after the
12 end of the period.

13 (d) Instead of the reporting periods required under subsection (a),
14 the department may permit a retail merchant to report and pay the
15 merchant's state gross retail and use taxes for a period covering:

16 (1) a calendar year, if the retail merchant's average monthly state
17 gross retail and use tax liability in the previous calendar year does
18 not exceed ten dollars (\$10);

19 (2) a calendar half year, if the retail merchant's average monthly
20 state gross retail and use tax liability in the previous calendar year
21 does not exceed twenty-five dollars (\$25); or

22 (3) a calendar quarter, if the retail merchant's average monthly
23 state gross retail and use tax liability in the previous calendar year
24 does not exceed seventy-five dollars (\$75).

25 A retail merchant using a reporting period allowed under this
26 subsection must file the merchant's return and pay the merchant's tax
27 for a reporting period not later than the last day of the month
28 immediately following the close of that reporting period.

29 (e) If a retail merchant reports the merchant's adjusted gross income
30 tax, or the tax the merchant pays in place of the adjusted gross income
31 tax, over a fiscal year or fiscal quarter not corresponding to the
32 calendar year or calendar quarter, the merchant may, without prior
33 departmental approval, report and pay the merchant's state gross retail
34 and use taxes over the merchant's fiscal period that corresponds to the
35 calendar period the merchant is permitted to use under subsection (d).
36 However, the department may, at any time, require the retail merchant
37 to stop using the fiscal reporting period.

38 (f) If a retail merchant files a combined sales and withholding tax
39 report, the reporting period for the combined report is the shortest
40 period required under:

41 (1) this section;

42 (2) IC 6-3-4-8; or

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- 1 (3) IC 6-3-4-8.1.
2 (g) If the department determines that a person's:
3 (1) estimated monthly gross retail and use tax liability for the
4 current year; or
5 (2) average monthly gross retail and use tax liability for the
6 preceding year;
7 exceeds ten thousand dollars (\$10,000), the person shall pay the
8 monthly gross retail and use taxes due by electronic funds transfer (as
9 defined in IC 4-8.1-2-7) or by delivering in person or by overnight
10 courier a payment by cashier's check, certified check, or money order
11 to the department. The transfer or payment shall be made on or before
12 the date the tax is due.
13 (h) If a person's gross retail and use tax payment is made by
14 electronic funds transfer, the taxpayer is not required to file a monthly
15 gross retail and use tax return. However, the person shall file a
16 quarterly gross retail and use tax return before the twentieth day after
17 the end of each calendar quarter.

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